



BILLING CODE: 4910-81-P

DEPARTMENT OF TRANSPORTATION

Maritime Administration

[Docket No. MARAD-2019-0093]

Deepwater Port License Application: Texas GulfLink LLC (Texas GulfLink)

AGENCY: Maritime Administration, Department of Transportation.

ACTION: Notice of application.

SUMMARY: The Maritime Administration (MARAD) and the U.S. Coast Guard (USCG) announce they have received an application for the licensing of a deepwater port and that the application contains information sufficient to commence processing. This notice summarizes the applicant's plans and the procedures that will be followed in considering the application.

DATES: The Deepwater Port Act of 1974, as amended, requires at least one public hearing on this application to be held in the designated Adjacent Coastal State(s) not later than 240 days after publication of this notice, and a decision on the application not later than 90 days after the final public hearing(s).

ADDRESSES: The public docket for the Texas GulfLink deepwater port license application is maintained by the U.S. Department of Transportation, Docket Management Facility, West Building, Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE, Washington, DC 20590. The license application is available for viewing at the Regulations.gov website: <http://www.regulations.gov> under docket number MARAD-2019-0093.

We encourage you to submit comments electronically through the Federal

eRulemaking Portal at <http://www.regulations.gov>. If you submit your comments electronically, it is not necessary to also submit a hard copy. If you cannot submit material using <http://www.regulations.gov>, please contact either Mr. Patrick Clark, USCG or Ms. Yvette Fields, MARAD, as listed in the following “FOR FURTHER INFORMATION CONTACT” section of this document. This section provides alternate instructions for submitting written comments. Additionally, if you go to the online docket and sign up for email alerts, you will be notified when comments are posted. Anonymous comments will be accepted. All comments received will be posted without change to <http://www.regulations.gov> and will include any personal information you have provided. The Federal Docket Management Facility’s telephone number is 202-366-9317 or 202-366-9826, the fax number is 202-493-2251.

FOR FURTHER INFORMATION CONTACT: Mr. Patrick Clark, U.S. Coast Guard, telephone: 202-372-1358, email: *Patrick.W.Clark@uscg.mil*, or Ms. Yvette Fields, Maritime Administration, telephone: 202-366-0926, email: *Yvette.Fields@dot.gov*. For questions regarding viewing the Docket, call Docket Operations, telephone: 202-366-9317 or 202-366-9826.

SUPPLEMENTARY INFORMATION:

Receipt of Application

On May 30, 2019, MARAD and USCG received an application from Texas GulfLink for all Federal authorizations required for a license to own, construct, and operate a deepwater port for the export of oil as authorized by the Deepwater Port Act of 1974, as amended, 33 U.S.C. 1501 *et seq.* (the Act), and implemented under 33 Code of Federal Regulations (CFR) parts 148, 149, and 150. After a coordinated completeness

review by MARAD, the USCG, and other cooperating Federal agencies, the application is deemed complete and contains information sufficient to initiate processing.

Background

The Act defines a deepwater port as any fixed or floating manmade structure other than a vessel, or any group of such structures, that are located beyond State seaward boundaries and used or intended for use as a port or terminal for the transportation, storage, and further handling of oil or natural gas for transportation to, or from, any State. A deepwater port includes all components and equipment, including pipelines, pumping or compressor stations, service platforms, buoys, mooring lines, and similar facilities that are proposed as part of a deepwater port to the extent they are located seaward of the high-water mark.

The Secretary of Transportation delegated to the Maritime Administrator authorities related to licensing deepwater ports (49 CFR 1.93(h)). Statutory and regulatory requirements for processing applications and licensing appear in 33 U.S.C. 1501 *et seq.* and 33 CFR part 148. Under delegations from, and agreements between, the Secretary of Transportation and the Secretary of Homeland Security, applications are jointly processed by MARAD and USCG. Each application is considered on its merits.

In accordance with 33 U.S.C. 1504(f) for all applications, MARAD and the USCG, working in cooperation with other involved Federal agencies and departments, shall comply with the requirements of the National Environmental Policy Act (NEPA) of 1969 (42 U.S.C. 4321 *et seq.*). The U.S. Environmental Protection Agency (EPA), the U.S. Army Corps of Engineers (USACE), the National Oceanic and Atmospheric Administration (NOAA), the Bureau of Ocean Energy Management (BOEM), the Bureau

of Safety and Environmental Enforcement (BSEE), and the Pipeline and Hazardous Materials Safety Administration (PHMSA), among others, participate in the processing of deepwater port applications and assist in the NEPA process as described in 40 CFR 1501.6. Each agency may participate in scoping and/or other public meeting(s); and may incorporate the MARAD/USCG environmental impact review for purposes of their jurisdictional permitting processes, to the extent applicable. Comments related to this deepwater port application addressed to the EPA, USACE, or other federal agencies should note the federal docket number, MARAD-2019-0093. Each comment will be incorporated into the Department of Transportation (DOT) docket and considered as the environmental impact analysis is developed to ensure consistency with the NEPA process.

All connected actions, permits, approvals and authorizations will be considered during the processing of the Texas GulfLink deepwater port license application.

MARAD, in issuing this Notice of Application pursuant to 33 U.S.C. 1504(c), must designate as an “Adjacent Coastal State” any coastal state which (A) would be directly connected by pipeline to a deepwater port as proposed in an application, or (B) would be located within 15 nautical miles of any such proposed deepwater port (see 33 U.S.C. 1508(a)(1)). Pursuant to the criteria provided in the Act, Texas is the designated Adjacent Coastal State for this application. Other states may request from the Maritime Administrator designation as an Adjacent Coastal State in accordance with 33 U.S.C. 1508(a)(2).

The Act directs that at least one public hearing take place in each Adjacent Coastal State, in this case, Texas. Additional public meetings may be conducted to solicit

comments for the environmental analysis to include public scoping meetings, or meetings to discuss the Draft and Final environmental impact documents prepared in accordance with NEPA.

MARAD, in coordination with the USCG, will publish additional Federal Register notices with information regarding these public meeting(s) and hearing(s) and other procedural milestones, including the NEPA environmental impact review. The Maritime Administrator's decision, and other key documents, will be filed in the public docket for the application at docket number MARAD-2019-0093.

The Deepwater Port Act imposes a strict timeline for processing an application. When MARAD and USCG determine that an application is complete (i.e., contains information sufficient to commence processing), the Act directs that all public hearings on the application be concluded within 240 days from the date the Notice of Application is published.

Within 45 days after the final hearing, the Governor of the Adjacent Coastal State, in this case the Governor of Texas, may notify MARAD of their approval, approval with conditions, or disapproval of the application. If such approval, approval with conditions, or disapproval is not provided to the Maritime Administrator by that time, approval shall be conclusively presumed. MARAD may not issue a license without the explicit or presumptive approval of the Governor of the Adjacent Coastal State. During this 45-day period, the Governor may also notify MARAD of inconsistencies between the application and State programs relating to environmental protection, land and water use, and coastal zone management. In this case, MARAD may condition the license to make it consistent with such state programs (33 U.S.C. 1508(b)(1)). MARAD will not consider written

approvals or disapprovals of the application from the Governor of the Adjacent Coastal State until after the final public hearing is complete and the 45-day period commences following the publication of the Final Environmental Impact Statement.

The Maritime Administrator must render a decision on the application within 90 days after the final hearing.

In accordance with 33 U.S.C. 1504(d), MARAD is required to designate an application area for a deepwater port application intended to transport oil. Under section 1504(d)(2), MARAD has the discretion to establish a reasonable application area constituting the geographic area in which only one deepwater port may be constructed and operated. MARAD has consulted with USCG in developing Texas GulfLink's application area and designates an application area encompassing the deepwater port that is a circle having a radius of no less than three and one-half (3.50) nautical miles centered at Texas GulfLink's proposed platform, latitude N 28°32'44" and longitude W 95°01'21".

Based on a review the Deepwater Port Act and its legislative history, MARAD has determined that for the purpose of establishing application areas, Congress focused on the circular area surrounding a deepwater port's principal point of loading and unloading. While MARAD had initially included pipelines within the application areas of recent projects, MARAD has determined that the areas, consistent with Congressional intent, can and should be limited to the circular zones surrounding the unloading and loading points. MARAD will notify the applicants for the SPOT Terminal Services LLC (SPOT) [Docket No. MARAD-2019-0011] and Texas COLT LLC (COLT) [Docket No. MARAD-2019-0012] projects that the application areas for those projects will be adjusted accordingly.

Any person interested in applying for the ownership, construction, and operation of a deepwater port within this designated application area must file with MARAD (see FOR FURTHER INFORMATION CONTACT) a notice of intent to file an application for the construction and operation of a deepwater port not later than 60 days after the date of publication of this notice, and shall submit a completed application no later than 90 days after publication of this notice.

Should a favorable record of decision be rendered and license be issued, MARAD may include specific conditions related to design, construction, operations, environmental permitting, monitoring and mitigations, and financial responsibilities. If a license is issued, USCG in coordination with other agencies as appropriate, would review and approve the deepwater port's engineering, design, and construction; operations/security procedures; waterways management and regulated navigation areas; maritime safety and security requirements; risk assessment; and compliance with domestic and international laws and regulations for vessels that may call on the port. The deepwater port would be designed, constructed and operated in accordance with applicable codes and standards.

In addition, installation of pipelines and other structures may require permits under Section 404 of the Clean Water Act and Section 10 of the Rivers and Harbors Act, which are administered by the USACE.

Permits from the EPA may also be required pursuant to the provisions of the Clean Air Act, as amended, and the Clean Water Act, as amended.

Summary of the Application

Texas GulfLink is proposing to construct, own, and operate a deepwater port terminal in the Gulf of Mexico to export domestically produced crude oil. Use of the

DWP would include the loading of various grades of crude oil at flow rates of up to 85,000 barrels per hour (bph). At full operating capacity, fifteen Very Large Crude Carrier (VLCC) vessels (or equivalent volumes) would be loaded per month from the proposed deepwater port for a total of 1 million barrels per day. VLCCs can carry cargos of approximately 2 million barrels of oil. Loading of one VLCC vessel is expected to take 33 hours.

The overall project would consist of offshore components as well as onshore components. The GulfLink deepwater port offshore and marine components would consist of the following:

- Texas GulfLink Offshore Metering Platform and Control Platform: Two (2) fixed offshore platforms with piles in Outer Continental Shelf Galveston Area Lease Block 423, approximately 28.3 nautical miles off the coast of Freeport, Texas in a water depth of approximately 104 feet. The fixed offshore platform would be comprised of a metering platform and a control platform. The Control Platform will contain personnel living quarters, a helideck and a vessel traffic controller control room, utilizing a state-of-the-art radar system to monitor the port on a 24-hour basis. The Metering Platform will contain: generators, pig receivers, lease automatic custody transfer (LACT) unit, oil displacement prover loop, sampling pot, radar tower, electrical and instrumentation building, portal cranes, and a crane. Each platform will have three levels with the upper level at a 109-foot elevation, the midlevel at 84 feet, and the lower level at 69 feet.
- One (1) 42-inch outside diameter, 28.3-nautical-mile (32.57 statute mile) long crude oil pipeline would be constructed from the shoreline crossing in Brazoria

County, Texas, to the GulfLink deepwater port for crude oil delivery. This pipeline would connect the onshore Jones Creek Terminal described below to the offshore Texas GulfLink deepwater port.

- The platform is connected to VLCC tankers for loading by two (2) separate 42-inch diameter departing pipelines. Each pipeline will depart the offshore platform, carrying the oil to a Pipeline End Manifold (PLEM) in approximately 104 feet water depth located 1.25 nautical miles (1.43 statute miles) from the offshore platform. Each PLEM is then connected through two (2) 24-inch hoses to a Single Point Mooring (SPM) Buoy. Two 24-inch floating loading hoses will connect the SPM Buoy to the VLCC or other crude oil carrier. SPM Buoy 1 is in Outer Continental Shelf Galveston Area Lease Block 423 and SPM Buoy is in Outer Continental Shelf Galveston Area Lease Block A36.

The Texas GulfLink deepwater port onshore storage and supply components would consist of the following:

- Texas GulfLink Onshore Storage Terminal: The proposed Jones Creek Terminal would be located in Brazoria County, Texas, on approximately 200 acres of land consisting of eight (8) above ground storage tanks, each with a working storage capacity of 685,000 barrels, for a total onshore storage capacity of approximately 6 million barrels. The facility can accommodate five (5) additional tanks, bringing the total to thirteen (13) tanks or 9.8 million barrels of shell capacity with 8.6 million barrels of working capacity, should commercial drivers dictate.

- The Jones Creek Terminal also would include: Six (6) electric-driven mainline crude oil pumps; three (3) electric driven booster crude oil pumps; one (1) crude oil pipeline pig launcher; one (1) crude oil pipeline pig receiver; two (2) measurement skids for measuring incoming crude oil - one (1) skid located at the incoming pipeline from the Bryan Mound facility, and one (1) skid installed for the outgoing crude oil barrels leaving the tank storage to be loaded on the VLCC; and ancillary facilities to include an operations control center, electrical substation, offices, and warehouse building.
- Two onshore crude oil pipelines would be constructed onshore to support the Texas GulfLink deepwater port and include the following items:
 - One (1) proposed incoming 9.45 statute mile 36-inch outside diameter pipeline originating at the Department of Energy (DOE) facility in Bryan Mound with connectivity to the Houston market.
 - One (1) proposed outgoing 12.45 statute mile 42-inch outside diameter connection from the Jones Creek Terminal to the shore crossing where this becomes the subsea pipeline supplying the offshore deepwater port.

Privacy Act

The electronic form of all comments received into the Federal Docket Management System can be searched by the name of the individual submitting the comment (or signing the comment, if submitted on behalf of an association, business, labor union, etc.). The DOT Privacy Act Statement can be viewed in the Federal Register published on April 11, 2000 (Volume 65, Number 70, pages 19477-78) or by visiting <http://www.regulations.gov>.

(Authority: 33 U.S.C. 1501, et seq.; 49 CFR 1.93(h))

Dated: June 21, 2019.

By Order of the Maritime Administrator.

T. Mitchell Hudson, Jr.,

Secretary, Maritime Administration.

[FR Doc. 2019-13638 Filed: 6/25/2019 8:45 am; Publication Date: 6/26/2019]